

Congress of the United States
House of Representatives
Washington, DC 20515

January 8, 2013

Hon. Arvin Ganesan
Associate Administrator for Congressional and Intergovernmental Relations
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Room 3426 ARN
Washington, DC 20460-0003

Dear Associate Administrator Ganesan:

I am writing to request your review of the information below and your response to the questions raised with respect to the application by Dominion Transmission, Inc. ("DTI") for the construction of a gas compressor station and valve site in Myersville, Maryland. As the Member of Congress representing this community, I am interested in ensuring that all parties are treated fairly and that the process is transparent and accountable.

The Myersville Citizens for a Rural Community, Inc ("MCRC") believes that a recent order issued by the Federal Energy Regulatory Commission with respect to authorization to proceed with this project will cause a violation of the Clean Air Act and has requested your expeditious review of a specific aspect of the proceedings.

MCRC has advised me of the following facts:

- Construction of the compressor station would be in a non-attainment area.
- In early 2012, DTI applied to the Town of Myersville, the jurisdiction responsible for zoning and land use requirements at the proposed location, to amend the Town's Master Plan to comply with the zoning and land use requirements.
- An air quality permit application filed by DTI with the Maryland Department of the Environment was being held in abeyance pending determination of the zoning issue.
- In August 2012, the Town of Myersville disapproved the project and denied issuance of a local zoning permit. DTI then withdrew its air quality permit application.
- On December 20, 2012, FERC issued an Order authorizing the project subject to certain conditions, including that DTI receive all federally-required permits before the start of construction, including the air quality permit.

The argument made by MCRC with respect to the Clean Air Act is as follows:

- Under the Clean Air Act, a new project that emits more than 25 tons per year (tpy) of NOx in a non-attainment area such as Frederick County is considered a

major source and must apply for a Part 70 operating permit and comply with various other regulations. DTI has claimed that the Myersville Compressor Station is not a major source because DTI will not operate the station more than 6000/hours a year, thus keeping emissions below the 25 tpy threshold.

- However, the 6000/hour operating cap must be federally enforceable so that DTI's compressor station can avoid classification as a major source. In order for the emissions cap to become "federally enforceable," it must be included as a condition in a Maryland air quality permit application. Maryland's program for issuance of air quality permits (for minor and major sources) is part of an EPA-approved state implementation plan and, as such, has the force of federal law and cannot be preempted by the Natural Gas Act. In addition, any "federally enforceable" operational limitations included in a state permit are, by definition, federal requirements not subject to preemption.
- DTI claims that since it has a FERC "certificate of public convenience and necessity," it does not need local zoning approval to apply for the federally-required Clean Air Act permit. DTI is expected to claim that, now that it has obtained a FERC certificate, it has "met all applicable zoning and land use requirements" under MD Env. 2-404 (b)(1)(ii) and can now apply for the state permit.

MCRC believes that this procedure is highly questionable given the following sequence of events:

1. DTI must obtain a federally-required air quality permit to operate the compressor station.
2. DTI cannot obtain the permit because the zoning board disapproved the project. Nonetheless, it moves forward with the FERC process.
3. FERC acknowledges that the air quality permit is required but issues the certificate conditional on DTI obtaining the air quality permit.
4. DTI now can claim that, because FERC issued a certificate, DTI is compliant with zoning and land use requirements (since the FERC Order states that local zoning laws are preempted).

MCRC has requested my assistance in obtaining responses to the following questions:

1. Can DTI appropriately claim that it has "met all applicable zoning and land use requirements" under the Maryland's EPA-approved State Implementation Plan, even though it did not meet those requirements under the Natural Gas Act?
2. Was it appropriate for FERC to issue a certificate for this project before DTI obtained the required permits under the Clean Air Act? (Without the FERC certificate, DTI was not able to apply for an air quality permit.)

The deadline for filing requests for rehearing of FERC's order is January 19, 2013. Consequently, I would appreciate your reviewing these issues and responding in writing no later than January 17, 2013.

Hon. Arvin Ganesan
January 8, 2013
Page 3

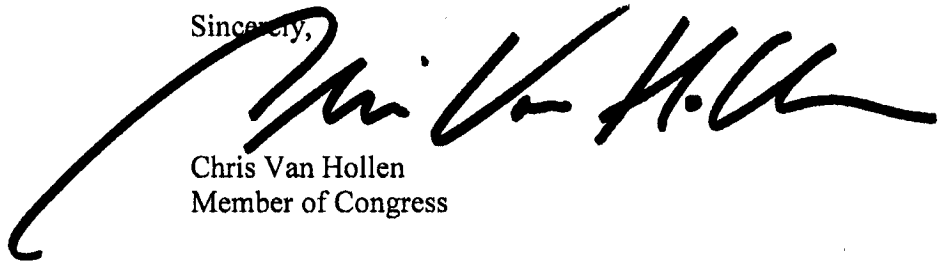
Please direct all correspondence to me at the following address:

51 Monroe Street, Suite 507
Rockville, MD 20850
FAX: (301) 424-5992

If you need additional information, please contact Alex Wong in my Rockville office at (301) 424-3501 or by email at alex.wong@mail.house.gov.

Thank you for your assistance.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Chris Van Hollen".

Chris Van Hollen
Member of Congress

CVH/aw

Confirmation Report - Memory Send

Page : 001
Date & Time: 01-08-13 12:28pm
Line 1 : 301-424-5992
Line 2 :
E-mail :
Machine ID : HONORABLE CHRIS VAN HOLLEN

Job number : 212
Date : 01-08 12:27pm
To : 12025011519
Number of pages : 004
Start time : 01-08 12:27pm
End time : 01-08 12:28pm
Pages sent : 004
Status : OK

Job number : 212

***** SEND SUCCESSFUL *****

**DISTRICT OFFICE OF
CONGRESSMAN CHRIS VAN HOLLEN**

**51 Monroe Street, Suite 507
Rockville, MD 20850
Phone: (301) 424-3501 Fax: (301) 424-5992**

Date: January 8, 2013

**To: Arvin Ganesan
Tel: (202) 564-5200
Fax: (202) 501-1519
From: Alex Wong
Re: DTI Compressor Plant**

Enclosed is a letter regarding DTI Compressor Plant.

Please contact me if you have any questions at (301) 424-3501.

Kind regards,

**Alex Wong
Alex.Wong@mail.house.gov**

Number of Pages: 4 pages (including cover page)